the carrier and also to look into the grievances of the exporters wherever there is delay of more than 72 hours in drawback disbursal for claims complete in all respects.

(b) An arrears clearance drive was launched by constituting special drawback counters and by observing months of July, 2005, August, 2005 and September, 2005 as arrears clearance months which resulted in liquidation of many long pending drawback claims.

(c) The facility of Revised Simplified Procedure has been extended to select categories of exporters for expetitious disposal of brand rate applications. Under this scheme, drawback rates are fixed without pre-verification of the data. The rates are subject to post audit.

(d) The field formations have been instructed to issue provisional brand rate letters with a maximum period of 15 days of receipt of the complete application.

Roadmap for revival of IFCI

2940. SHRI MANOJ BHATTACHARYA: Will the Minister of FINANCE be pleased to state:

(a) whether the IFCI is in the red for some times and if so, the details thereof;

(b) whether Government have drawn up any roadmap for the revival of the company;

(c) if so, the details thereof and if not, the reasons therefor; and

(d) whether Government have allowed the dilution of its shareholding below 51 per cent in the IFCI; and

(e) if so, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) Yes, Sir. IFCI has incurred net loss of Rs. 884.28 crore, Rs. 259.70 crore, Rs. 3229.78 crore and Rs. 324.40 crore in the years 2001-02, 2002-03, 2003-04 and 2004-05 respectively.

(b) No, Sir.

(c) IFCI is a company registered under the Companies Act, 1956, Government has no shareholding in IFCI Ltd. The affairs of IFCI Ltd. are managed by the Board of Directors and it is for them to take necessary steps.

(d) and (e) Government have no shareholding in IFCI.

Abolition of Central Sales Tax

2941. SHRI DATTA MEGHE: Will the Minister of FINANCE be pleased to state:

(a) whether the State Government benefit from the imposition of Central Sales Tax (CST);

(b) if so, the details thereof;

(c) whether it is proposed to abolish the CST;

(d) if so, the estimated revenue loss to each State by abolition of CST and how it is to be compensated;

(e) whether the State Governments are demanding to bring taxation of services under the States purview to compensate for revenue losses that will arise from the abolition of CST;

(f) if so, the details thereof; and

(g) Government's reaction thereto?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) As per provisions of the Constitution of India, the Central Sales Tax (CST) is levied by the Central Government by vitue for Entry 92A of the Union List, but the same is assigned to the States within which the tax is leviable, as per provisions of Article 269 of the Constitution of India. Thus, the State Governments benefit from the CST.

(c) to (g) The Central Sales Tax, being an origin-based tax, is inconsistent with the concept of VAT and need to be phased out. The abolition of CST will result in revenue loss to the States. At his stage, it is not feasible to estimate revenue loss to each State due to abolition of CST. However, as per provisional figures furnished by the States, total